

## Message Text

CONFIDENTIAL

PAGE 01      WARSAW 06336 260649Z  
ACTION AGRE-00

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08  
FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02  
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15  
STR-07 CEA-01 /091 W  
-----059027 270246Z /75

R 251433Z JUL 78  
FM AMEMBASSY WARSAW  
TO SECSTATE WASHDC 6377  
USDOC WASHDC

C O N F I D E N T I A L WARSAW 6336

DEPT PLEASE PASS AGRICULTURE/FAS.

EO 11652: GDS  
TAGS: EAGR ECON PL  
SUBJ: JAROSZEWICZ SPEECH TO THE SEJM (PARLIAMENT)

REF: WARSAW 6287

1. BEGIN SUMMARY. ON JULY 20, PRIME MINISTER PIOTR JAROSZEWICZ  
SPOKE BEFORE THE SEJM ON THE RESULTS OF THE 1977 ECONOMIC PLAN  
AND THE DEVELOPMENT OF THE PLAN FOR 1979. THE ADDRESS WAS  
OPTIMISTIC DESPITE LENGTHY DISCUSSION OF PROBLEMS IN AGRI-  
CULTURE AND INTERNATIONAL TRADE. END SUMMARY.

2. PRIME MINISTER JAROSZEWICZ NOTED THAT THE NATIONAL INCOME  
IN 1977 HAD INCREASED 5 PERCENT. THE INDUSTRIAL SECTOR HAD  
FULFILLED MOST OF ITS TARGETS AND EVEN AGRICULTURE HAD SHOWN  
A 1 PERCENT GAIN OVER THE PREVIOUS YEAR'S PERFORMANCE. THE  
VALUE OF CONSUMER GOODS HAD INCREASED BY 13 PERCENT DURING 1977.  
DURING THE YEARS 1976 AND 1977 (COMBINED), REAL PER CAPITA  
INCOME INCREASED BY 12.5 PERCENT, COMPARED WITH A PLANNED  
INCREASE OF 8.7 PERCENT.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02      WARSAW 06336 260649Z

3. AGRICULTURE FELL BY ABOUT 20 BILLION ZLOTYS SHORT OF  
PLANNED PRODUCTION. THGOETHER WITH THE LOSSES IN THE FOOD  
PROCESSING INDUSTRY, THERE WAS A TOTAL LOSS IN THE FOOD  
DISTRIBUTION SYSTEM OF 50 BILLION ZLOTYS. POLAND IMPORTED  
140 THOUSAND TONS OF MEAT AND FAT, AND 9 MILLION TONS OF  
GRAIN AND ANIMALE FEED AT A COST OF 1.15 BILLION DOLLARS.  
ON BALANCE THE AGRICULTURE SECTOR HAS A DEFICIT OF 700

MILLION DOLLARS. POLAND PLANS TO INCREASE DOMESTIC AGRICULTURE PRODUCTION BY RAISING THE PROCUREMENT PRICES FOR FARM PRODUCE, BY SUPPLYING MORE FERTILIZERS, AND BY PROVIDING MORE RESOURCES FOR MECHANIZING FARM PRODUCTION.

4. THE PRIME MINISTER DID NOT IGNORE WESTERN PROTECTIONISM IN HIS LIST OF POLAND'S PROBLEMS IN INTERNATIONAL TRADE. CUSTOMS DUTIES ON POISH EXPORTS, HE CLAIMED, AMOUNTED TO 210 MILLION DOLLARS. POLAND HAS ALSO FACED A DETERIORATION IN ITS TERMS OF TRADE WITH THE WEST WHICH JAROSZEWICZ ESTIMATED TO HAVE COST 330 MILLION DOLLARS IN THE 1976-1978 PERIOD.

5. JAROSZEWICZ MENTIONED ONLY BRIEFLY POLAND'S EFFORTS WITHIN THE COUNCIL FOR MUTUAL ECONOMIC ASSISTANCE (CEMA). COOPERATION WITHIN THE EASTERN BLOC HAS PROVEN EFFECTIVE IN SOLVING ITS ENERGY NEEDS, BUT POLAND STILL HAS A SHORTAGE OF ENERGY AND EVEN GREATER RATIONING EFFORTS WILL BE NECESSARY IN THE FUTURE.

6. IN CONTRAST TO PAST SPEECHES ON THE ECONOMY, JAROSZEWICZ DID NOT DWELL ON THE STRATEGY OF REDUCING IMPORTS AS A SOLUTION TO THE DEFICIT PROBLEM BUT RATHER ENCOURAGED GREATER INCREASES IN POLAND'S EXPORTS TO THE WEST. THE GENERAL TONE OF THE SPEECH WAS POSITIVE. EVEN WHILE TALKING ABOUT REDUCTION AND REALLOCATION OF INVESTMENT DUE TO HARD CURRENCY

CONFIDENTIAL

CONFIDENTIAL

PAGE 03      WARSAW 06336 260649Z

SHORTAGES, HE EMPHASIZED THAT BASIC SOCIAL GOALS HAVE BEEN FOSTERED AND DEVELOPED FASTER THAN PLANNED. THE PRIME MINISTER DEFENDED THE "ECONOMIC MANEUVERES" OF THE REGIME AND POINTED OUT THAT THE ECONOMIC POTENTIAL OF THE NATION HAS BEEN GREATLY AUGMENTED BY THE GIEREK POLICY. HE SUMMARIZED THE IMPACT OF THIS STRATEGY BY NOTING THAT IN THE PAST SEVEN YEARS NATIONAL INCOME HAD INCREASED BY 80 PERCENT, THE SALE OF PRODUCTS AND SERVICES OF THE SOCIALIZED SECTOR HAD DOUBLED AND LASTLY, "DESPITE FOUR SUCCESSIVE UNFAVORABLE YEARS, AGRICULTURAL PRODUCTION HAS INCREASED BY ABOUT 18 PERCENT." (COMMENT: IT WAS NOT MENTIONED WHETHER THIS IS IN CONSTANT PRICES OR IN CURRENT ZLOTY TERMS, I.E., INFLATED CURRENCY. END COMMENT.)

7. ALTHOUGH THIS SPEECH WAS TOUTED AS AN IMPORTANT ECONOMIC ADDRESS, JAROSZEWICZ DID NOT UNVEIL ANYTHING NEW AND GAVE NO HINT OF CHANGE IN THE GOVERNMENT'S ECONOMIC POLICIES. THIS SPEECH WAS GIVEN TO REASSURE THE FAITHFUL THAT ALL WAS WELL AND PROCEEDING ACCORDING TO PLAN.

BRADSHAW

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SPEECHES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978WARSAW06336  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780307-0491  
**Format:** TEL  
**From:** WARSAW  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780721/aaaaarqk.tel  
**Line Count:** 114  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 9808e76c-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION AGRE  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 WARSAW 6287  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 26 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1889783  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAROSZEWICZ SPEECH TO THE SEJM (PARLIAMENT)  
**TAGS:** EAGR, ECON, PL, (JAROSZEWICZ, PIOTR)  
**To:** STATE COM  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/9808e76c-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014